

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al
Debtor

Case No. **01-01139** Jointly Administered
Reporting Period: February 2008

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)			See attached Attestation Form
Copies of bank statements			See attached Attestation Form
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

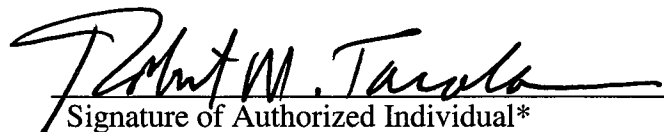
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



Signature of Authorized Individual*

27 March 2008

Date

Robert M. Tarola

Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

W. R. Grace & Co.
Monthly Financial Report
February 29, 2008

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Form MOR

Monthly Operating Report

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Bank Statements

See attached
Attestation Form

Federal Income Tax Returns

none

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	JP Morgan Chase Disbursement 9101013572	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	Merrill Lynch Investment 3323735	Bank of America Lockbox 8188703107	JP Morgan Chase Holding 323223141	JP Morgan Chase Concentration 16001257
CASH BEGINNING OF MONTH	\$ 102,587	\$ 1	\$ -	\$ 1	\$ 6,978	\$ 849,695	\$ 48,522,191
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					(3,760)		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		532,247					1,782,033
TRANSFERS IN - NONFILING ENTITIES							9,731,181
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000						100,996,176
MISCELLANEOUS		26,060					
TOTAL RECEIPTS	200,000	558,307	-	-	(3,760)	-	112,509,391
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							1,894,500
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							219,804
TRANSFERS OUT - THIRD PARTIES	248,161						3,659,377
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		408,756		-			18,800,166
MISCELLANEOUS							
TOTAL DISBURSEMENTS	248,161	408,756	-	-	-	-	24,573,846
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(48,161)	149,551	-	-	(3,760)	-	87,935,544
CASH - END OF MONTH	\$ 54,426	\$ 149,552	\$ -	\$ 1	\$ 3,218	\$ 849,695	\$ 136,457,735

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Bank of America Lockbox 6188203114	Bank of America Securities LLC 22330134		First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	First Union Libby Medical 2079900065006
CASH BEGINNING OF MONTH	\$ 2,160,615	\$ 223,475,108	A	\$ -	\$ 2	\$ -	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES	42,148,022						
ACCOUNTS RECEIVABLE - INTERCOMPANY	1,135,941						
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		361,258					
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				124,900,000	17,255,410		106,484
MISCELLANEOUS				5,034,504	227,604		
TOTAL RECEIPTS	43,283,963	361,258		129,934,504	17,483,014	-	106,484
DISBURSEMENTS							
PAYROLL					11,310,569		
PAYROLL TAXES					6,095,146		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	99,634						106,484
TRANSFERS OUT - NONFILING ENTITIES	11,454,405						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	31,682,946	108,851,908		117,258,691			
MISCELLANEOUS		414,956					
TOTAL DISBURSEMENTS	43,236,985	109,266,864		117,258,691	17,405,714	-	106,484
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	46,977	(108,905,606)		12,675,813	77,299	-	0
CASH - END OF MONTH	\$ 2,207,592	\$ 114,569,501	A	12,675,813	\$ 77,302	\$ -	\$ 0

Note #1

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Note A

\$ 64.7 million of this account has been reported as "investment securities" in W.R. Grace & Co.- Conn's balance sheet as of February 29, 2008

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	SunTrust Payroll 00000141309	PNC 4002641960	Hibernia Natl Disbursement 101391210	JP Morgan Chase Lockbox 304616494
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,246	\$ (0)	\$ 10,000	\$ 174,444
RECEIPTS									
ACCOUNTS RECEIVABLE - THIRD PARTIES									37,839,296
ACCOUNTS RECEIVABLE - INTERCOMPANY									28,740,271
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI									
DIP BORROWINGS									
TRANSFERS IN - THIRD PARTIES									
TRANSFERS IN - NONFILING ENTITIES									
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	43,952,946			2,522,312	53,421,539				
MISCELLANEOUS					5,136,070				
TOTAL RECEIPTS	43,952,946	-	-	2,522,312	58,557,609	-	-	-	66,579,568
DISBURSEMENTS									
PAYROLL									
PAYROLL TAXES									
TRADE PAYABLES - THIRD PARTIES	(a) 53,865,297			1,165,373	58,557,609				
TRADE PAYABLES - INTERCOMPANY									
ACCOUNT SECURITIZATION									
PAYMENTS AS SERVICER FOR GRPI									
DIP PRINCIPAL REPAYMENTS									
DIP INTEREST AND USAGE FEES									
TRANSFERS OUT - THIRD PARTIES									
TRANSFERS OUT - NONFILING ENTITIES									
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS									66,204,474
MISCELLANEOUS	7,408,749			1,743,550					
TOTAL DISBURSEMENTS	61,274,047	-	-	2,908,924	58,557,609	-	-	-	66,204,474
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(17,321,101)	-	-	(386,612)	0	-	-	-	375,094
CASH - END OF MONTH	\$ (17,321,101)	\$ -	\$ -	\$ (386,612)	\$ (0)	\$ 45,246	\$ (0)	\$ 10,000	\$ 549,538

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(a) These disbursements include Libby indictment, legal, and indemnification costs of \$1,603,385.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Allfirst Payroll 16298657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco Interam. de Finanzas 007000107847
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ 1,452	\$ 347,839	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES			20,484	425,377	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-	-
DIP BORROWINGS			-	-	-
TRANSFERS IN - THIRD PARTIES			241,628	-	-
TRANSFERS IN - NONFILING ENTITIES			-	-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS					
TOTAL RECEIPTS	-	-	262,112	425,377	-
DISBURSEMENTS					
PAYROLL			11,791	-	-
PAYROLL TAXES			36,323	-	-
TRADE PAYABLES - THIRD PARTIES			-	-	-
TRADE PAYABLES - INTERCOMPANY			-	-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI			-	-	-
DIP PRINCIPAL REPAYMENTS			-	-	-
DIP INTEREST AND USAGE FEES			-	-	-
TRANSFERS OUT - THIRD PARTIES			153,641	240,000	-
TRANSFERS OUT - NONFILING ENTITIES			-	-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			41,742	75,731	-
TOTAL DISBURSEMENTS	-	-	243,497	315,731	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	18,616	109,646	-
CASH - END OF MONTH	\$ -	\$ -	\$ 20,068	\$ 457,484	\$ -

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Banco Interam de Finanzas 7000107707	HSBC Operating Acct 1128001	Bank Boston Operating Acct 154519	Cash in Transit	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ -	\$ 326,618	\$ -	\$ 1	\$ 22,203	\$ (169,371)
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	-	395,557				
ACCOUNTS RECEIVABLE - INTERCOMPANY	-	-				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	-				
DIP BORROWINGS	-	-				
TRANSFERS IN - THIRD PARTIES	-	-				
TRANSFERS IN - NONFILING ENTITIES	-	-				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS						
TOTAL RECEIPTS	-	395,557		-	-	-
DISBURSEMENTS						
PAYROLL	-	-				
PAYROLL TAXES	-	-				
TRADE PAYABLES - THIRD PARTIES	-	373,805				
TRADE PAYABLES - INTERCOMPANY	-	-				
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI	-	-				
DIP PRINCIPAL REPAYMENTS	-	-				
DIP INTEREST AND USAGE FEES	-	-				
TRANSFERS OUT - THIRD PARTIES	-	-				
TRANSFERS OUT - NONFILING ENTITIES	-	-				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	-	8,075				78,595
TOTAL DISBURSEMENTS	-	381,880		-	-	78,595
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	13,677		-	-	(78,595)
CASH - END OF MONTH	\$ -	\$ 340,295	\$ -	\$ 1	\$ 22,203	\$ (247,966)

Note #1

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 275,875,607	\$ -
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	80,824,976	
ACCOUNTS RECEIVABLE - INTERCOMPANY	29,876,212	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	-	
TRANSFERS IN - THIRD PARTIES	2,917,166	
TRANSFERS IN - NONFILING ENTITIES	9,731,181	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	343,354,867	
MISCELLANEOUS	10,424,237	
TOTAL RECEIPTS	477,128,639	-
DISBURSEMENTS		
PAYROLL	11,322,360	
PAYROLL TAXES	6,131,469	
TRADE PAYABLES - THIRD PARTIES	115,856,584	
TRADE PAYABLES - INTERCOMPANY	-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	-	
DIP INTEREST AND USAGE FEES	219,804	
TRANSFERS OUT - THIRD PARTIES	4,507,296	
TRANSFERS OUT - NONFILING ENTITIES	11,454,405	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	343,206,941	
MISCELLANEOUS	9,771,398	
TOTAL DISBURSEMENTS	502,470,257	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(25,341,618)	-
CASH - END OF MONTH	\$ 250,533,989	\$ -

Note #1

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W.R. Grace & Co.

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	JP Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	213,331	213,331	-
TOTAL RECEIPTS	213,331	213,331	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	213,331	213,331	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	213,331	213,331	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ (106,929)	\$ -	\$ (106,929)	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES			139	139	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		213,331		213,331	
TOTAL RECEIPTS	-	213,331	139	213,470	-
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		246,494		246,494	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	-	246,494	-	246,494	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(33,163)	139	(33,025)	
CASH - END OF MONTH	\$ -	\$ (140,092)	\$ 139	\$ (139,953)	\$ -

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Citibank Operating Acct 300153011	Petty Cash	Other	Cash-in-Transit	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 5,491,532	\$ -	\$ -	\$ -	\$ 5,491,532	\$ -
RECEIPTS						
		No Activity	No Activity	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES	334,019				334,019	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	402,742				402,742	
TOTAL RECEIPTS	736,761	-	-	-	736,761	-
DISBURSEMENTS						
PAYROLL	6,306				6,306	
PAYROLL TAXES	2,910				2,910	
TRADE PAYABLES - THIRD PARTIES	176,788				176,788	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	402,742				402,742	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	588,746	-	-	-	588,746	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	148,015	-	-	-	148,015	-
CASH - END OF MONTH	\$ 5,639,547	\$ -	\$ -	\$ -	\$ 5,639,547	\$ -

Grace International Holdings
Schedule of Cash Receipts and Disbursements
MOR-1
February 2008

	Grace International Holdings 323136524	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

CC Partners			
Schedule of Cash Receipts and Disbursements			
MOR-1			
February 2008			
	First Union Deposit Acct 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company			
Schedule of Cash Receipts and Disbursements			
MOR-1			
February 2008			
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 53,611	\$ 53,611	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 53,611	\$ 53,611	\$ -

Grace Europe, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.
Schedule of Cash Receipts and Disbursements
MOR-1
February 2008

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	-
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 500	\$ 500	-

Dewey & Almy, LLC

Schedule of Cash Receipts and Disbursements

MOR-1

February 2008

	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

February 29, 2008

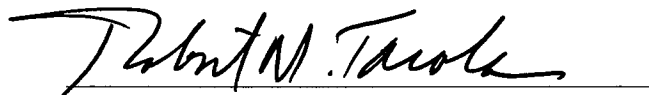
Office of the United States Trustee

Subject: Attestation Regarding Bank Account Reconciliations

The debtor, W. R. Grace & Co, et al, hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

The debtor has, on a timely basis, performed all bank account reconciliations in the ordinary course of business. Copies of bank account statements and reconciliations are available for inspection upon request by the United States Trustee's Office.

GRACE



Name: Robert M. Tarola
Position: Senior Vice President and
Chief Financial Officer

Sworn to and Subscribed
before me on this 27th
day of March, 2008.

KRISTEN C. MARINO
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires February 11, 2009

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended February 29, 2008

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.
Net sales to third parties	\$ 79,112,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	46,584,426	-	-	-	-	-	-	-	-
Net sales to filing entities	333,856	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	8,516,945	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(7,701,692)	4,592,684	600,767	19,173	845,233	-	2,602,915	-	-
	126,846,102	4,592,684	600,767	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	57,786,791	-	(911)	-	-	-	-	-	-
Cost of goods sold to non-filing entities	38,138,416	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	258,960	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	27,685,043	-	(1,707)	-	-	32,500	-	-	-
Research and development expenses	3,953,520	-	-	-	-	-	-	-	-
Depreciation and amortization	4,447,406	-	1,760	-	-	-	-	-	-
Interest expense	4,620,713	-	-	-	-	-	-	-	-
Other expense (income), net	(6,268,399)	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	5,351,321	-	-	-	-	-	-	-	-
	135,973,771	-	(859)	-	-	32,500	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	(9,127,669)	4,592,684	601,626	19,173	845,233	(32,500)	2,602,915	-	-
(Provision for) benefit from income taxes	3,677,958	(1,607,440)	(210,533)	(6,710)	(295,831)	11,375	(911,020)	(2,179)	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (5,449,711)	\$ 2,985,244	\$ 391,093	\$ 12,463	\$ 549,402	\$ (21,125)	\$ 1,691,895	\$ (2,179)	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

(a) Amount includes \$1,044,759 of expenses for Grace's legal and indemnification costs related to the Libby indictment. \$554,754 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended February 29, 2008

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation	Alewite Boston, Ltd.	Five Alewite Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 420,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	539,305	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(959,079)	-	-	-	-	-	-	-	-
	(419,775)	420,085	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	163,345	107,077	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	97,032	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	64,417	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	86,003	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	(9,335)	(16,849)	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	(9,335)	393,947	107,077	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	(410,440)	26,138	(107,077)	-	-	-	-	-	-
(Provision for) benefit from income taxes	130,392	(9,149)	37,477	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (280,048)	\$ 16,989	\$ (69,600)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended February 29, 2008

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica- Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended February 29, 2008

	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended February 29, 2008

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended February 29, 2008

	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended February 29, 2008

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	(333,856)
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(333,856)
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	(355,991)
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(355,991)
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	22,136
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,136

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities**Combining Statement of Operations****MOR - 2****Month Ended February 29, 2008**

	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ 79,532,654
Net sales to non-filing entities	-	46,584,426
Net sales to filing entities	-	-
Interest and royalties from non-filing entities, net	-	9,056,249
Interest and royalties from filing entities, net	-	-
	-	135,173,329
Cost of goods sold to third parties	-	58,056,302
Cost of goods sold to non-filing entities	-	38,138,416
Cost of goods sold to filing entities	-	-
Selling, general and administrative expenses	-	27,780,252
Research and development expenses	-	3,953,520
Depreciation and amortization	-	4,535,168
Interest expense	-	4,620,713
Other expense (income), net	-	(6,294,582)
Chapter 11 reorganization expenses, net of interest income	-	5,351,321
	-	136,141,111
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	(967,782)
(Provision for) benefit from income taxes	-	814,340
Minority interest in income of subsidiary	-	-
Equity in net income of non-filing entities	6,002,384	6,002,384
Net (loss) income	\$ 6,002,384	\$ 5,848,942

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. Conn.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

February 29, 2008

	W. R. Grace & Conn	NRG Conn	Davison	Container	Texas GC Investment
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 184,768,502	\$ -	\$ 228,878	\$ -	\$ -
Investment securities	64,716,001	-	-	-	-
Cash value of life insurance policies, net of policy loans	78,148,881	-	-	-	-
Accounts and other receivables, net	63,913,510	-	52,007,536	-	-
Receivables from/(payables to) filing and non-filing entities, net	421,325,676	(517,973,343)	(105,506,748)	7,669,119	700,010,000
Inventories	14,497,010	-	78,808,918	-	-
Deferred income taxes	19,595,099	-	6,744,164	-	-
Other current assets	18,211,047	-	2,552,657	-	-
Total Current Assets	865,175,726	(517,973,343)	34,835,405	7,669,119	700,010,000
Properties and equipment, net	168,384,739	-	233,301,368	-	-
Goodwill	12,659,477	-	11,503,986	-	-
Cash value of life insurance policies, net of policy loans	3,931,607	-	-	-	-
Deferred income taxes	987,120,102	-	26,121,871	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,512,359,206)	50,038,848	-	-	-
Investment in filing and non-filing entities	1,516,504,859	467,934,495	15,000,550	-	-
Overfunded defined benefit pension plans	2,000,365	-	-	-	-
Other assets	29,366,595	-	14,139,751	-	-
Total Assets	\$ 2,572,784,263	\$ -	\$ 334,902,930	\$ 7,669,119	\$ 700,010,000
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -
Accounts payable	23,724,192	-	44,290,676	-	-
Income taxes payable	853,589	-	-	-	-
Other current liabilities	105,826,903	-	36,175,669	-	-
Total Current Liabilities	130,404,684	-	80,466,345	-	-
Debt payable after one year	-	-	-	-	-
Deferred income taxes	221,296,592	-	11,910,212	-	-
Minority interest in consolidated entities	-	-	63,598,203	-	-
Underfunded defined benefit pension plans	146,648,797	-	-	-	-
Other liabilities	40,804,705	-	6,875,635	-	-
Total Liabilities Not Subject to Compromise	539,154,779	-	162,850,395	-	-
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	791,300,155	-	-	-	-
Drawn letters of credit plus accrued interest	27,016,879	-	-	-	-
Income tax contingencies	(88,168,271)	-	24,865,285	-	-
Asbestos-related contingencies	1,700,000,000	-	-	-	-
Environmental contingencies	308,995,311	-	-	-	-
Postretirement benefits	173,429,995	-	-	-	-
Other liabilities and accrued interest	137,489,018	-	11,953,692	-	-
Total Liabilities Subject to Compromise	3,050,063,087	-	36,818,977	-	-
Total Liabilities	3,589,217,866	-	199,669,373	-	-
Shareholders' Equity (Deficit)					
Preferred stock	-	-	-	-	-
Common stock	84,500,000	-	-	-	700,010,000
Paid in capital	142,269,878	-	-	-	-
(Accumulated deficit)/Retained earnings	(847,921,289)	-	133,974,054	7,669,119	-
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	(395,282,191)	-	1,259,504	-	-
Deferred compensation trust	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,016,433,603)	-	135,233,558	7,669,119	700,010,000
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,572,784,263	\$ -	\$ 334,902,930	\$ 7,669,119	\$ 700,010,000

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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February 29, 2008

	GSB	Grace Peru	National Medical Care	GC LP Notes	GC Holding
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ 820,608	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	2,782,412	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(24,597,535)	(2,106,105)	-	90,202,081	1,411,591
Inventories	-	1,326,687	-	-	-
Deferred income taxes	-	11,974	-	-	-
Other current assets	-	22,912	-	-	-
Total Current Assets	(24,597,535)	2,858,489	-	90,202,081	1,411,591
Properties and equipment, net	-	323,963	-	-	-
Goodwill	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	(9,284)	-	-	-
Investment in filing and non-filing entities	-	-	-	700,000,000	-
Overfunded defined benefit pension plans	-	-	-	-	-
Other assets	-	21,601	-	-	-
Total Assets	\$ (24,597,535)	\$ 3,194,769	\$ -	\$ 790,202,081	\$ 1,411,591
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	101,805	-	-	-
Income taxes payable	-	-	-	-	-
Other current liabilities	-	25,674	-	-	-
Total Current Liabilities	-	127,479	-	-	-
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	6,166	-	-	-
Total Liabilities Not Subject to Compromise	-	133,644	-	-	-
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	-	174,511	-	-	-
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-
Total Liabilities Subject to Compromise	-	174,511	-	-	-
Total Liabilities	-	308,155	-	-	-
Shareholders' Equity (Deficit)					
Preferred stock	-	-	-	-	-
Common stock	-	517,000	-	-	-
Paid in capital	-	-	-	707,016,000	-
(Accumulated deficit)/Retained earnings	(24,597,535)	1,918,614	-	83,186,081	1,411,591
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	450,999	-	-	-
Deferred compensation trust	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(24,597,535)	2,886,613	-	790,202,081	1,411,591
Total Liabilities and Shareholders' Equity (Deficit)	\$ (24,597,535)	\$ 3,194,769	\$ -	\$ 790,202,081	\$ 1,411,591

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	Coal Development	Grace Cocoa Consolidated	Grace Cocoa Inc.	Eliminations between Conn	Reporting Reclasses
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	319	(296,679,975)	(46,762,000)	-	155,200,000
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Other current assets	-	-	-	-	-
Total Current Assets	319	(296,679,975)	(46,762,000)	-	155,200,000
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-
Investment in filing and non-filing entities	-	139,130,000	-	(1,545,430,040)	(155,200,000)
Overfunded defined benefit pension plans	-	-	-	-	-
Other assets	-	-	-	-	-
Total Assets	\$ 319	\$ (157,549,975)	\$ (46,762,000)	\$ (1,545,430,040)	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Other current liabilities	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	-	(5,200,000)	-	-	-
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(5,200,000)	-	-	-
Total Liabilities	-	(5,200,000)	-	-	-
Shareholders' Equity (Deficit)					
Preferred stock	-	-	-	-	-
Common stock	-	-	5,242,000	(706,300,040)	-
Paid in capital	-	-	132,654,000	(839,130,000)	-
(Accumulated deficit)/Retained earnings	319	(152,349,975)	(185,450,359)	-	-
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	792,359	-	-
Deferred compensation trust	-	-	-	-	-
Total Shareholders' Equity (Deficit)	319	(152,349,975)	(46,762,000)	(1,545,430,040)	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 319	\$ (157,549,975)	\$ (46,762,000)	\$ (1,545,430,040)	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	W. R. Grace & Co. - Conn	W. R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 185,817,988	\$ -	\$ (139,953)	\$ -	\$ -	\$ -
Investment securities	64,716,001	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	78,148,881	-	-	-	-	-
Accounts and other receivables, net	118,703,457	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	382,193,080	(349,087,479)	(27,421,864)	12,875,432	(69,842,762)	(12,375,497)
Inventories	94,632,615	-	-	-	-	-
Deferred income taxes	26,351,237	-	(85,440)	-	-	-
Other current assets	20,786,616	-	-	-	-	-
Total Current Assets	971,349,876	(349,087,479)	(27,647,258)	12,875,432	(69,842,762)	(12,375,497)
Properties and equipment, net	402,010,071	-	352,536	-	-	-
Goodwill	24,163,463	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	78,148,881	-	-	-	-	-
Deferred income taxes	1,013,241,973	-	20,608,227	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,462,329,643)	1,062,960,086	111,931,473	5,780,151	250,624,993	-
Investment in filing and non-filing entities	1,137,939,864	241,512,111	-	-	-	-
Overfunded defined benefit pension plans	2,000,365	-	-	-	-	-
Other assets	43,527,946	-	-	-	-	1
Total Assets	\$ 2,635,835,522	\$ 955,384,718	\$ 105,244,978	\$ 18,655,583	\$ 180,782,231	\$ (12,375,496)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	68,116,673	-	92,460	-	-	-
Income taxes payable	853,589	-	-	-	-	-
Other current liabilities	142,028,246	-	9,482	-	-	3,814
Total Current Liabilities	210,998,508	-	101,942	-	-	3,814
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	233,206,804	-	-	-	-	-
Minority interest in consolidated entities	63,598,203	-	-	-	-	-
Underfunded defined benefit pension plans	146,648,797	-	-	-	-	-
Other liabilities	47,686,506	-	-	-	-	-
Total Liabilities Not Subject to Compromise	702,138,819	-	101,942	-	-	3,814
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	791,300,155	-	-	-	-	-
Drawn letters of credit plus accrued interest	27,016,879	-	-	-	-	-
Income tax contingences	(68,328,476)	91,246,516	(13,263,203)	404,077	18,335,179	(291,870)
Asbestos-related contingences	1,700,000,000	-	-	-	-	-
Environmental contingences	308,995,311	-	58,636,534	-	-	-
Postretirement benefits	173,429,995	-	-	-	-	-
Other liabilities and accrued interest	149,442,710	-	656,146	-	-	-
Total Liabilities Subject to Compromise	3,081,856,575	91,246,516	46,029,477	404,077	18,335,179	(291,870)
Total Liabilities	3,783,995,394	91,246,516	46,131,419	404,077	18,335,179	(288,057)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	83,968,960	830,195	12,223	1,000	-	1,000
Paid in capital	142,809,878	427,913,613	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(982,159,380)	498,951,368	49,376,888	(15,801,960)	106,435,475	(12,088,440)
Treasury stock, at cost	-	(63,557,073)	-	-	-	-
Accumulated other comprehensive (loss) income	(392,779,329)	100	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,148,159,871)	864,138,202	59,113,559	18,251,507	162,447,052	(12,087,440)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,635,835,522	\$ 955,384,718	\$ 105,244,978	\$ 18,655,583	\$ 180,782,231	\$ (12,375,496)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewile Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 5,639,546	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	100,678	-	-	1,918,492	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,920,563	140,524,854	(81,922,619)	1,948,599	(5,096,825)
Inventories	-	(0)	-	-	200,357	-
Deferred income taxes	-	99,907	-	-	41,390	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(386,938,610)	6,121,149	140,524,854	(81,922,619)	9,748,384	(5,096,825)
Properties and equipment, net	-	-	-	-	597,083	-
Goodwill	-	-	-	-	1,256,948	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	596,484,237	(3,288,199)	-	41,243,640	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	54,000	-	-	6,582,886	-
Total Assets	\$ 209,545,627	\$ 2,886,949	\$ 140,524,854	\$ 17,990,485	\$ 18,185,301	\$ (5,096,825)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	27,065	-	1,026,517	887,978	-
Income taxes payable	-	-	-	-	(908,016)	-
Other current liabilities	-	352,253	-	17,206,485	270,745	-
Total Current Liabilities	-	379,319	-	18,233,002	250,707	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	3,522,839	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	(1)	-	-
Total Liabilities Not Subject to Compromise	-	379,319	-	21,755,841	250,707	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	56,482,741	(1,051,227)	(150)	(14,079,915)	1,110,992	(377,613)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	290,258	-	-	133,907	-
Total Liabilities Subject to Compromise	56,482,741	(760,969)	(150)	(14,079,915)	1,244,899	(377,613)
Total Liabilities	56,482,741	(381,650)	(150)	7,675,926	1,495,606	(377,613)
Shareholders' Equity (Deficit)						
Preferred stock	112	-	-	-	-	-
Common stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	182,329,184	(503,988)	115,166,011	(95,764,713)	3,614,518	(4,994,018)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	3,771,587	-	44,232,784	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	153,062,886	3,268,599	140,525,004	10,314,560	16,689,695	(4,719,212)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 209,545,627	\$ 2,886,949	\$ 140,524,854	\$ 17,990,485	\$ 18,185,301	\$ (5,096,825)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(26,161)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(26,161)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,985,416
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(210)	-	-	(110)	(330)	(7,489)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(7,489)
Total Liabilities	(210)	-	-	(110)	(330)	(7,489)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,492,905
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	55,992,905
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,985,416

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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February 29, 2008

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 53,611	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	7,535	-	-	-	-	-
Total Current Assets	50,663	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	18,841	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 69,503	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	5,000	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(407,490)	(195)	10,346,794	(230)	-	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(407,490)	(195)	10,346,794	(230)	-	-
Total Liabilities	(407,490)	4,805	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	-	5,150	-	-
Paid in capital	1,233,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(756,961)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	476,993	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 69,503	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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February 29, 2008

	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingencies	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related contingencies	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)
Total Liabilities and Shareholders' Equity (Deficit)	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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February 29, 2008

	W. R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W. R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	91,572
Receivables from/(payables to) filing and non-filing entities, net	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,551,219)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,459,146)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
Total Assets	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,455,080)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
Total Current Liabilities	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	199	4,066
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingencies	(821)	-	(110)	(265)	(759)	-
Asbestos-related contingencies	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(821)	-	(110)	(265)	(759)	-
Total Liabilities	(821)	-	(110)	(265)	(560)	4,066
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,464,146)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,459,146)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,455,080)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
February 29, 2008

	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(1,432)	(300)	(335)	(405)	(185)	(110)
Total Liabilities	(1,432)	(300)	(335)	(405)	(185)	(110)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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February 29, 2008

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, inc.	Grace A-B II Inc.	Grace H-G II Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,390,816	(15,750,664)	5,296,839	875,359	(5,314)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,699	4,390,816	(15,750,664)	5,296,839	875,359	(5,314)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 504,081,786	\$ (9,744,909)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	\$ (5,314)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(119)	(110)	-	(360)	(310)	(260)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(119)	(110)	-	(360)	(310)	(260)
Total Liabilities	(119)	(110)	-	(360)	(310)	(260)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,656,772)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	504,081,905	(9,744,799)	(15,750,664)	5,297,199	875,669	(5,054)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 504,081,786	\$ (9,744,909)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	\$ (5,314)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
February 29, 2008

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	25,064,465	25,064,465	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	25,064,465	25,064,465	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(360)	3,962,996	3,963,171	(480)	(110)	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(360)	3,962,996	3,963,171	(480)	(110)	-
Total Liabilities	(360)	29,027,461	29,027,636	(480)	(110)	-
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
February 29, 2008

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting Reclasses
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	200,000
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	(5,449,795)
Other current assets	-	-	-	-	-
Total Current Assets	-	-	-	-	(5,249,795)
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	(286,858,573)
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-
Investment in filing and non-filing entities	-	-	(1,324,102,717)	(88,306,329)	1,800,000
Overfunded defined benefit pension plans	-	-	-	-	-
Other assets	-	-	(1,101,282)	-	-
Total Assets	\$ -	\$ -	\$ (1,325,203,999)	\$ (88,306,329)	\$ (290,308,369)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Other current liabilities	-	-	(200,000)	-	832,087
Total Current Liabilities	-	-	(200,000)	-	832,087
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	(286,858,573)
Minority interest in consolidated entities	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	(200,000)	-	(286,026,487)
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	-	-	-	-	-
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	(12,081,882)
Total Liabilities Subject to Compromise	-	-	-	-	(12,081,882)
Total Liabilities	-	-	(200,000)	-	(298,108,369)
Shareholders' Equity (Deficit)					
Preferred stock	-	-	-	-	-
Common stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,222,870,000)	-	-
(Accumulated deficit)/Retained earnings	-	-	(16,440,039)	(85,405,853)	2,000,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	800,000	(2,900,476)	5,800,000
Deferred compensation trust	-	-	-	-	-
Total Shareholders' Equity (Deficit)	-	-	(1,325,003,999)	(88,306,329)	7,800,000
Total Liabilities and Shareholders' Equity (Deficit)	\$ -	\$ -	\$ (1,325,203,999)	\$ (88,306,329)	\$ (290,308,369)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

February 29, 2008

	COMBINED FILING ENTITIES
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 191,371,692
Investment securities	\$ 64,716,001
Cash value of life insurance policies, net of policy loans	\$ 78,148,881
Accounts and other receivables, net	\$ 120,814,199
Receivables from/(payables to) filing and non-filing entities, net	\$ 112,962,533
Inventories	\$ 94,832,972
Deferred income taxes	\$ 20,957,299
Other current assets	\$ 20,794,151
Total Current Assets	\$ 704,597,728
Properties and equipment, net	\$ 403,416,975
Goodwill	\$ 25,420,411
Cash value of life insurance policies, net of policy loans	\$ 3,931,607
Deferred income taxes	\$ 746,991,627
Asbestos-related insurance receivable	\$ 500,000,000
Loans receivable from/(payable to) filing and non-filing entities, net	\$ 553,367,891
Investment in filing and non-filing entities	\$ 420,228,475
Overfunded defined benefit pension plans	\$ 2,000,365
Other assets	\$ 49,067,617
Total Assets	\$ 3,409,022,696
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	
Liabilities Not Subject to Compromise	
Current Liabilities	
Debt payable within one year	\$ 0
Accounts payable	\$ 70,154,760
Income taxes payable	\$ (54,427)
Other current liabilities	\$ 160,503,313
Total Current Liabilities	\$ 230,603,646
Debt payable after one year	\$ -
Deferred income taxes	\$ -
Minority interest in consolidated entities	\$ 63,603,203
Underfunded defined benefit pension plans	\$ 146,648,797
Other liabilities	\$ 47,686,506
Total Liabilities Not Subject to Compromise	\$ 488,542,152
Liabilities Subject to Compromise	
Debt, pre-petition plus accrued interest	\$ 791,300,155
Drawn letters of credit plus accrued interest	\$ 27,016,879
Income tax contingencies	\$ 88,034,060
Asbestos-related contingencies	\$ 1,700,000,000
Environmental contingencies	\$ 367,631,845
Postretirement benefits	\$ 173,429,995
Other liabilities and accrued interest	\$ 138,441,139
Total Liabilities Subject to Compromise	\$ 3,285,854,073
Total Liabilities	\$ 3,774,396,225
Shareholders' Equity (Deficit)	
Preferred stock	\$ 112
Common stock	\$ 832,871
Paid in capital	\$ 431,410,607
(Accumulated deficit)/Retained earnings	\$ (392,885,501)
Treasury stock, at cost	\$ (63,557,073)
Accumulated other comprehensive (loss) income	\$ (341,174,546)
Deferred compensation trust	\$ 99
Total Shareholders' Equity (Deficit)	\$ (365,373,530)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,409,022,696

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn Status of Postpetition Taxes MOR-4 February 29, 2008				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ 7,583	\$ 1,927,972	\$ (1,927,972)	\$ 7,583
FICA - Employee	9,089	1,157,333	(1,155,644)	10,778
FICA and payroll- Employer	1,184,246	1,157,333	(739,345)	1,602,234
Unemployment	-	26,246	(26,246)	-
Other	-	152,863	(152,863)	-
Total Federal Taxes	\$ 1,200,918	\$ 4,421,747	\$ (4,002,070)	\$ 1,620,595
State and Local				
Withholding	\$ 14,249	\$ 664,786	\$ (662,066)	\$ 16,969
Sales & Use	708,589	503,070	(379,034)	832,625
Property Taxes	1,358,147	298,625	(242,959)	1,413,813
Other	-	89,726	(89,726)	-
Total State and Local	\$ 2,080,985	\$ 1,556,207	\$ (1,373,785)	\$ 2,263,407
Total Taxes	\$ 3,281,903	\$ 5,977,954	\$ (5,375,855)	\$ 3,884,002

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Remedium Group, Inc. Status of Postpetition Taxes MOR-4 February 29, 2008				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ (283)	\$ 6,819	\$ (6,819)	\$ (283)
FICA - Employee	-	3,922	(3,922)	-
FICA and payroll- Employer	-	3,922	(3,922)	-
Unemployment	-	16	(16)	-
Other	-	373	(373)	-
Total Federal Taxes	\$ (283)	\$ 15,052	\$ (15,052)	\$ (283)
State and Local				
Withholding	\$ -	\$ 660	\$ (660)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ 660	\$ (660)	\$ -
Total Taxes	\$ (283)	\$ 15,712	\$ (15,712)	\$ (283)

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Grace Washington, Inc. Status of Postpetition Taxes MOR-4 February 29, 2008				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ 2,582	\$ 4,175	\$ (4,175)	\$ 2,582
FICA - Employee	141	1,371	(1,371)	141
FICA and payroll- Employer	139	1,372	(1,372)	139
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ 2,862	\$ 6,918	\$ (6,918)	\$ 2,862
State and Local				
Withholding	\$ 532	\$ 887	\$ (887)	\$ 532
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ 532	\$ 887	\$ (887)	\$ 532
Total Taxes	\$ 3,394	\$ 7,805	\$ (7,805)	\$ 3,394

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

L B Realty, Inc. Status of Postpetition Taxes MOR-4 February 29, 2008				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	-	-	-
FICA and payroll- Employer	-	-	-	-
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ -	\$ -	\$ -	\$ -
State and Local				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ -	\$ -	\$ -
Total Taxes	\$ -	\$ -	\$ -	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Darex Puerto Rico, Inc. Status of Postpetition Taxes MOR-4 February 29, 2008				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	649	(649)	-
FICA and payroll- Employer	-	649	(649)	-
Unemployment	-	64	(64)	-
Other	-	452	(452)	-
Total Federal Taxes	\$ -	\$ 1,814	\$ (1,814)	\$ -
State and Local				
Withholding	\$ -	\$ 1,095	\$ (1,095)	\$ -
Sales & Use	500	49	(54)	495
Property Taxes	300,571	-	-	300,571
Other	-	-	-	-
Total State and Local	\$ 301,071	\$ 1,144	\$ (1,149)	\$ 301,066
Total Taxes	\$ 301,071	\$ 2,958	\$ (2,963)	\$ 301,066

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn
Accounts Receivable Reconciliation and Aging
MOR-5
February 2008

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ 109,869,644
Amounts billed during the period	\$ 79,112,569
Amounts collected during the period	\$ (80,824,976)
Other	\$ 3,782,038
Trade accounts receivable at the end of month, gross	\$ 111,939,275

Trade Accounts Receivable Aging

Current	\$ 92,350,996
1-30 days past due	\$ 15,365,678
31-60 days past due	\$ 3,336,897
+61 days past due	\$ 885,704
Trade accounts receivable, gross	\$ 111,939,275
Allowance for doubtful accounts	\$ (1,576,568)
Trade accounts receivable, net	\$ 110,362,707

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ 110,362,707
Customer notes and drafts receivable	\$ 831,309
Pending customer credit notes	\$ (874,753)
Advances and deposits	\$ 4,524,344
Nontrade receivables, net	\$ 3,859,850
Total notes and accounts receivable, net	\$ 118,703,457

Chart 6

Darex Puerto Rico, Inc. Accounts Receivable Reconciliation and Aging MOR-5 February 2008	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 1,910,169
Amounts billed during the period	420,085
Amounts collected during the period	(334,019)
Other	24,024
Trade accounts receivable at the end of month, gross	\$ 2,020,259
Trade Accounts Receivable Aging	
Current	\$ 1,030,921
1-30 days past due	263,160
31-60 days past due	236,751
+61 days past due	489,427
Trade accounts receivable, gross	2,020,259
Allowance for doubtful accounts	(116,631)
Trade accounts receivable, net	\$ 1,903,629
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 1,903,629
Customer notes and drafts receivable	-
Pending customer credit notes	8,231
Advances and deposits	6,632
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ 1,918,492

Chart 6

Remedium Group, Inc. Accounts Receivable Reconciliation and Aging MOR-5 February 2008	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Grace Europe, Inc. Accounts Receivable Reconciliation and Aging MOR-5 February 2008	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	100,678
Total notes and accounts receivable, net	\$ 100,678

Chart 6

Gloucester New Communities Company, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
February 2008

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	91,572
Total notes and accounts receivable, net	\$ 91,572

Chart 7

W.R. Grace & Co., et al
Debtor Questionnaire
MOR - 5
February 29, 2008

	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account for this reporting period? If yes, provide an explanation below.		See Note #5 below
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in affect? If no, provide and explanation below.	X	
5. Are post-petition accounts payable and tax obligations current and paid to date? If no, provide an explanation.	X (unless disputed in normal course of business)	

Note #5

As part of the first day orders submitted to the court on April 2, 2001, an application for the Debtors to (a) continue and maintain their consolidated cash management system, (b) continue and maintain their existing bank accounts and (c) continue to use existing business forms and granting related relief was included. The Debtors have continued to use their existing bank accounts and no new debtor in possession accounts have been established.

List assets sold/transferred outside the normal course of business over \$25,000:		
Description of Asset	Sale Date	Proceeds

Combined Chapter 11 Filing Entity Statements

Chart 8

W. R. Grace & Co. - Chapter 11 Filing Entities				
Combined Statements of Operations				
In millions	Month Ended February		Two Months Ended February	
	2008	2007	2008	2007
Net sales to third parties	\$ 79.5	\$ 77.0	\$ 159.0	\$ 159.0
Net sales to non-filing entities	46.6	33.3	90.4	69.3
Interest and royalties from non-filing entities	9.0	4.7	13.0	6.5
	135.1	115.0	262.4	234.8
Cost of goods sold to third parties	58.1	58.0	120.1	113.1
Cost of goods sold to non-filing entities	38.1	27.7	73.2	56.7
Selling, general and administrative expenses	24.2	21.8	47.7	45.6
Depreciation and amortization	4.6	4.5	9.7	9.0
Research and development expenses	4.0	4.2	7.8	7.3
Defined benefit pension expense	3.5	3.6	6.5	7.2
Interest expense	4.6	5.9	10.1	12.6
Other (income) expense, net	(6.3)	(2.9)	(8.0)	(2.8)
Chapter 11 expenses, net of interest income	5.3	6.8	10.4	11.7
	136.1	129.6	277.5	260.4
Income (loss) before income taxes and equity in net income of non-filing entities	(1.0)	(14.6)	(15.1)	(25.6)
Benefit from (provision for) income taxes	0.8	0.2	1.9	(0.8)
Income (loss) before equity in net income of non-filing entities	(0.2)	(14.4)	(13.2)	(26.4)
Equity in net income of non-filing entities	6.0	9.7	25.5	25.1
Net income (loss)	\$ 5.8	\$ (4.7)	\$ 12.3	\$ (1.3)

W. R. Grace & Co. - Chapter 11 Filing Entities

Combined Functional Basis Statements of Cash Flows

	Month Ended February 2008	Two Months Ended February 2008	Two Months Ended February 2007
<i>In millions</i>			
<u>Core operations cash flow</u>			
Pre-tax income (loss) from core operations	\$ 4.9	\$ 2.3	\$ 0.7
Depreciation and amortization	4.6	9.7	9.0
	9.5	12.0	9.7
Payments under defined benefit pension arrangements	(0.4)	(15.7)	(17.1)
Change in Non-Filing entity operating loans including interest payments and Investment	-	1.0	0.6
Changes in all core assets/liabilities and other	(23.1)	(19.0)	(18.1)
Core Pre-tax Operating Cash Flow	(14.0)	(21.7)	(24.9)
Capital expenditures	(6.1)	(10.7)	(8.7)
Core Pre-tax Operating Free Cash Flow	(20.1)	(32.4)	(33.6)
<u>Charges against core reserves</u>			
Self insurance	(0.1)	(0.1)	(0.3)
Total Spending Against Core Reserves	(0.1)	(0.1)	(0.3)
Net Core Cash Flow	(20.2)	(32.5)	(33.9)
<u>Noncore cash flow</u>			
Proceeds from asset sales	0.8	0.8	-
Proceeds from sales of investment securities	8.9	33.1	-
Cash paid to resolve contingencies subject to Chapter 11	-	-	-
Legal fees	(1.6)	(5.6)	(1.6)
Other noncore pre-tax cash flow	(0.8)	(1.4)	(1.5)
Noncore Pre-tax Cash Flow	7.3	26.9	(3.1)
<u>Charges against noncore reserves</u>			
Environmental remediation	(0.3)	(0.9)	(1.8)
Retained obligations and other	-	-	(0.3)
Postretirement benefits	0.4	(0.4)	0.4
Total Spending Against Noncore Reserves	0.1	(1.3)	(1.7)
Noncore Cash Flow	7.4	25.6	(4.8)
Total Pre-tax/Pre-interest/Pre-Chapter 11 Cash Flow	(12.8)	(6.9)	(38.7)
Cash paid for taxes, net of refunds	(0.1)	(0.1)	(10.4)
Cash paid for interest, net	0.2	0.3	0.5
Chapter 11 expenses paid	(4.1)	(10.4)	(14.0)
Interest income on filing entity cash balances	0.6	0.9	1.4
Cash Flow before Strategic Investments	(16.2)	(16.2)	(61.2)
<u>Strategic Investments</u>			
Proceeds from exercise of stock options	0.1	0.2	13.1
Cash used for Strategic Investments	0.1	0.2	13.1
Cash Flow after Strategic Investments	(16.1)	(16.0)	(48.1)
Fees under debtor-in-possession credit facility	(0.2)	(0.4)	(0.5)
Net (investing)/financing activities under life insurance policies	0.8	1.0	0.2
Net Cash Flow	\$ (15.5)	\$ (15.4)	\$ (48.4)

Chart 10

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Balance Sheets			
Amounts in millions	February 29, 2008	December 31, 2007	April 2, 2001
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 191.4	\$ 206.8	\$ 8.6
Investment securities	64.7	98.3	-
Cash value of life insurance policies, net of policy loans	78.1	77.1	-
Trade accounts receivable, less allowance of \$1.7 (2007 - \$1.7, Filing Date - \$0.7)	112.2	108.3	32.3
Receivables from non-filing entities, net	112.9	103.2	51.2
Inventories	94.8	82.6	80.6
Deferred income taxes	20.9	22.3	80.9
Asbestos-related insurance expected to be realized within one year	-	-	17.0
Other current assets	29.6	24.8	33.4
Total Current Assets	704.6	723.4	304.0
Properties and equipment, net	403.4	403.8	400.4
Goodwill	25.4	25.4	13.6
Cash value of life insurance policies, net of policy loans	3.9	3.9	64.1
Deferred income taxes	747.0	745.7	401.0
Asbestos-related insurance expected to be realized after one year	500.0	500.0	323.4
Loans receivable from non-filing entities, net	553.4	524.2	387.5
Investment in non-filing entities	420.2	395.4	121.0
Overfunded defined benefit pension plans	2.0	1.5	-
Deferred pension costs	-	-	236.0
Other assets	49.1	52.3	72.5
Total Assets	\$ 3,409.0	\$ 3,375.6	\$ 2,323.5
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)			
Liabilities Not Subject to Compromise			
Current Liabilities			
Debt payable within one year	\$ -	\$ -	\$ -
Accounts payable	70.1	63.5	-
Other current liabilities	160.4	160.5	-
Total Current Liabilities	230.5	224.0	-
Debt payable within one year	-	-	-
Minority interest in consolidated entities	63.6	62.1	0.3
Underfunded defined benefit pension plans	146.6	159.6	-
Other liabilities	47.5	39.0	31.5
Total Liabilities Not Subject to Compromise	488.2	484.7	31.8
Liabilities Subject to Compromise			
Pre-petition debt plus accrued interest	791.3	783.0	511.5
Drawn letters of credit plus accrued interest	27.0	26.9	-
Income tax contingencies	88.0	89.3	242.1
Asbestos-related contingencies	1,700.0	1,700.0	1,002.8
Environmental contingencies	367.6	368.6	164.8
Postretirement benefits	173.4	172.7	256.2
Other liabilities and accrued interest	138.6	137.0	188.6
Total Liabilities Subject to Compromise	3,285.9	3,277.5	2,366.0
Total Liabilities	3,774.1	3,762.2	2,397.8
Shareholder's Equity (Deficit)			
Common stock	0.8	0.8	0.8
Paid in capital	431.6	431.5	432.6
Accumulated deficit	(392.8)	(405.1)	(201.8)
Treasury stock, at cost	(63.6)	(63.7)	(136.4)
Accumulated other comprehensive loss	(341.1)	(350.1)	(169.5)
Total Shareholders' Equity (Deficit)	(365.1)	(386.6)	(74.3)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,409.0	\$ 3,375.6	\$ 2,323.5

W. R. Grace & Co.
Filing Entity Supplemental Financial Information
February 29, 2008

Basis of Presentation

The interim Combined Financial Statements presented herein represent the results of operations, cash flows and financial position of the Debtors. These financial statements pertain to periods beginning with, and subsequent to, the Filing Date and have been prepared in conformity with requirements of the Bankruptcy Court. Consequently, these financial statements do not purport to present the financial performance of W. R. Grace & Co. in conformity with U.S. generally accepted accounting principles which would require the consolidation of all controlled subsidiaries and more extensive notes and analysis related to the worldwide operations of W. R. Grace & Co. Financial activity of non-Debtor entities is not presented herein. However, all non-Debtor entities are either directly or indirectly controlled by the Debtors and, accordingly, non-Debtor financial results are reflected under the equity method of accounting. These financial statements are unaudited and should be read in conjunction with the consolidated financial statements presented in the Company's 2007 Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission.

These interim Combined Financial Statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the interim periods presented under U.S. generally accepted accounting principles; all such adjustments are of a normal recurring nature. All significant inter-Debtor accounts and transactions have been eliminated. Transactions and balances with non-Debtor entities are separately disclosed.

The results of operations for the two-month interim period ended February 29, 2008 are not necessarily indicative of the results of operations for the year ending December 31, 2008.

Other Balance Sheet Accounts

<i>(In millions)</i>	February 29, 2008	Filing Date
Inventories		
Raw materials	\$ 43.3	\$ 20.3
In process	25.3	16.2
Finished products	75.6	63.8
General merchandise	13.7	9.6
Less: Adjustment of certain inventories to a last-in/first-out (LIFO) basis	(63.1)	(29.3)
	\$ 94.8	\$ 80.6
Other Assets		
Deferred charges	28.3	40.4
Long-term receivables	0.3	1.9
Long-term investments	--	2.1
Patents, licenses and other intangible assets, net	20.5	25.2
Other assets	--	2.9
	\$ 49.1	\$ 72.5
Other Current Liabilities		
Accrued compensation	\$ 51.8	\$ --
Accrued commissions	4.7	--
Customer programs	16.9	--
Accrued utilities	--	--
Accrued freight	8.1	--
Accrued reorganization fees	27.5	--
Other accrued liabilities	51.4	--
	\$ 160.4	\$ --
Other Liabilities		
Deferred royalty income -- non-filing entities	\$ --	\$ 31.5
Accrued compensation	15.2	--
Other accrued liabilities	32.3	--
	\$ 47.5	\$ 31.5
Other Liabilities Subject to Compromise		
Accrued interest on pre-petition liabilities	63.2	--
Accounts payable	31.7	43.0
Retained obligations of divested businesses	30.9	43.5
Other accrued liabilities	12.8	102.1
	\$ 138.6	\$ 188.6

Accrued compensation in the table above includes salaries and wages as well as estimated current amounts due under the annual and long-term incentive programs.

Life Insurance

Grace is the beneficiary of corporate-owned life insurance ("COLI") policies on certain current and former employees with a net cash surrender value of \$82.0 million at February 29, 2008. The policies were acquired to fund various employee benefit programs and other long-term liabilities and are structured to provide cash flow (primarily tax-free) over an extended number of years.

The following table summarizes the components of net cash value at February 29, 2008 and Filing Date:

Components of Net Cash Value <i>(In millions)</i>	February 29, 2008	Filing Date
Gross cash value.....	\$ 86.9	\$ 453.7
Principal – policy loans	(4.7)	(390.3)
Accrued interest – policy loans	(0.2)	0.7
Total net cash value	\$ 82.0	\$ 64.1
Less: current portion.....	(78.1)	--
Net cash value – long term	\$ 3.9	\$ 64.1
Insurance benefits in force.....	\$ 142.2	\$ 2,286.0

Grace's financial statements display income statement activity and balance sheet amounts on a net basis, reflecting the contractual interdependency of policy assets and liabilities

Debt

On February 29, 2008 and the Filing Date, Grace's debt was as follows:

Components of Debt <i>(In millions)</i>	February 29, 2008	Filing Date
Debt payable within one year		
DIP facility	\$ --	\$ --
Other short-term borrowings and related fees payable.....	--	--
	\$ --	\$ --
Debt payable after one year		
DIP facility	\$ --	\$ --
Other long-term borrowings	--	--
	\$ --	\$ --
Debt Subject to Compromise		
Bank borrowings	\$ 500.0	\$ 500.0
Accrued interest on bank borrowings.....	291.3	--
Drawn letters of credit.....	23.6	--
Accrued interest on drawn letters of credit	3.4	--
8.0% Notes Due 2004	--	5.7
7.75% Notes Due 2002	--	2.0
Other borrowings.....	--	1.2
Accrued interest	--	2.6
	\$ 818.3	\$ 511.5
Annualized weighted average interest rates on total debt	6.5%	6.1%

In April 2001, the Debtors entered into the DIP facility for a two-year term in the aggregate amount of \$250 million. The DIP facility is secured by a priority lien on substantially all assets of the Debtors with the exclusion of the capital stock of non-U.S. subsidiaries, and bears interest based on the London Interbank Offered Rate (LIBOR). The Debtors have extended the term of the DIP facility through April 1, 2008. Grace had no outstanding borrowings under the DIP facility as of February 29, 2008; however, \$59.6 million of standby letters of credit were issued and outstanding under the facility. The letters of credit, which reduce available funds under the facility, were issued primarily for trade-related matters such as performance bonds, and certain insurance and environmental matters.